

State Senator **William H. Nickerson**



MAIL

Senator William H. Nickerson
Room 3400
Legislative Office Building
Hartford, CT 06106 - 1591



TELEPHONE

1-800-842-1421 or (860) 240-0465



FAX

(860) 240-0036



E-Mail

William.H.Nickerson@cga.ct.gov



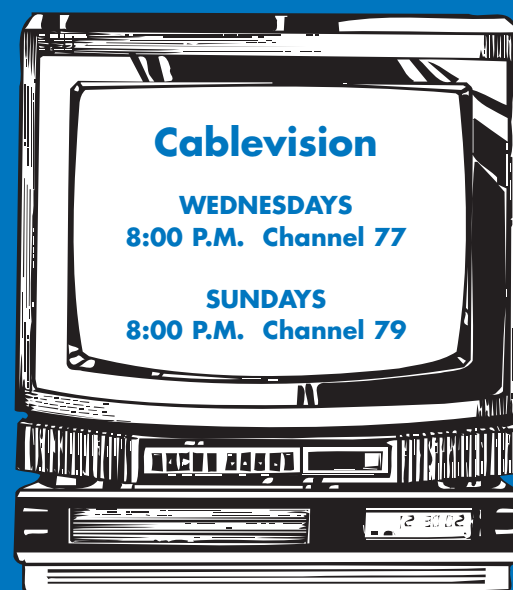
WORLD WIDE WEB

<http://www.senaterepublicans.ct.gov>



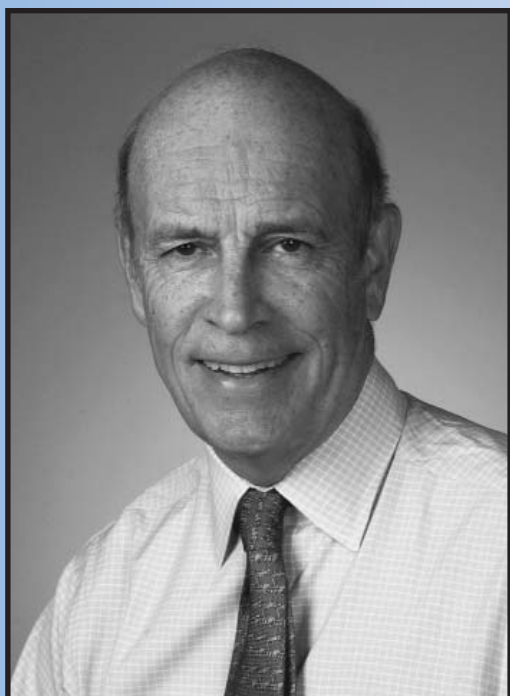
Cable TV Report

I discussed the legislative session in a new televised conversation with Governor Jodi Rell. The program will be shown on Cablevision every Wednesday at 8:00 P.M. on Channel 77 (Public access) and every Sunday at 8:00 P.M. on Channel 79 (Government access).



State Senator

William H. Nickerson



Room 3400
Legislative Office Building
Hartford, CT 06106 - 1591

PRSRT STD
U.S. Postage
PAID
Permit # 3937
Hartford, CT
06106

William H. Nickerson



Dear Constituent:

This is my report to you on the 2005 session of the General Assembly. When former Governor Rowland resigned a year ago there was pessimism in the Capitol and voters mistrusted government. Jodi Rell, then Lieutenant Governor, became our new Governor and in one short year she has restored confidence and a sense of purpose in state government. What a difference a year makes.

While I disagreed with her on some issues, notably the budget, no one can doubt her leadership qualities. She made ethics her number one priority and made great strides in that area, both in her personal conduct and legislative initiatives.

I welcome your thoughts and comments on the issues raised in this report, or on any other item of interest to you.

Very truly yours,

Senator William H. Nickerson

William H. Nickerson



Budget and Taxes

I strongly opposed the \$31.2 billion biennial budget which was adopted for the next two fiscal years. The spending increase in the first year is a whopping 8.7%, far above the rate of inflation. It was ironic indeed that this spending spurt was adopted during a session which opened with the news that the state faced a huge potential deficit of \$1.3 billion. One would have thought that this would be a session dedicated to examining priorities and streamlining government but that did not happen. A Hartford Courant editorial noted that “The spending appetite at the Capitol is voracious and out of sync with economic reality.”

For a variety of reasons (mostly unjustified use of “one shot” revenue gimmicks) the state enjoyed a surplus carried forward from the prior year of over \$700 million which was legally required to be transferred to the budget reserve fund, known as the “rainy day” fund. Again that did not happen and instead 90% of it was spent in the current year.

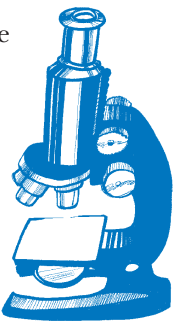
This profligate spending was supported by a flurry of new taxes, notably the enactment of a new inheritance tax. Since the mid 1990’s Connecticut, like most states, has been phasing out its death taxes but this session exhumed this tax with a new top bracket of 16%. This puts the state at a competitive disadvantage with the thirty-three other states which have no significant death taxes. The new tax ostensibly has a \$2,000,000 exemption but a close reading of the bill reveals that for estates over this amount the tax in fact reaches back to tax the first dollar. Finally to add a bit of salt the tax was enacted in June but was made retroactive to January 1, 2005.

This taxing philosophy went even further and imposed on self-pay patients in nursing homes and life care facilities a so-called “resident user fee” which requires such patients to pay a new tax of 6% on patient care services.

My first priority in next year’s session will be to do everything possible to roll back these unfair anti-competitive taxes.

Stem Cell Research

Stem cell research holds great potential for advances in medicine. Connecticut is in an ideal position to move to the forefront in this endeavor with its outstanding research hospitals and universities. In order to capitalize on this opportunity legislation was adopted which permits embryonic stem cell research under carefully controlled circumstances. The bill makes it a crime to engage in human cloning or related reproduction while requiring research to take place under guidelines established by the Department of Public Health. A new fund to support such research was established with authority to provide grants of up to \$10 million per year for ten years. Other states are already involved in this area and Connecticut can now contribute toward both medical advances and economic development in this field.



Transportation

The legislature’s single most important accomplishment was in the area of rail transportation. For years we have had summit meetings, white papers and legislative hearings all saying the same thing, namely that service on Metro North railroad has been steadily deteriorating due to the aging of the railcars, most of which are over 30 years old. Governor Rell proposed, and the legislature adopted, a plan to replace all the cars and also to build a new maintenance facility to service them. This plan will cost \$1.3 billion over nine years and also provides for improvements (but not expansion) of I-95.

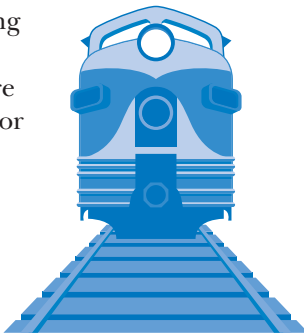
Funding will come principally from a 3.1 percentage point increase in the petroleum gross receipts tax, which effectively operates as a proxy for the gasoline tax, and will also include a surcharge on Metro North tickets. While no one wants to see these taxes increased, action had been stalled for years due to uncertainty as to how the program would be funded. Most legislators accepted the proposition that rail commuters will accept the increases in return for knowing with certainty exactly what benefits they would derive.

Important and overdue as the plan is it nevertheless represents a capitol stock replacement, not an innovative new transportation policy. I believe it should be a first step towards a far reaching change in the state’s transportation strategy in order to greatly enhance use of Metro North for intra-state commuting. Only in this way will we properly address the long-term challenges of increasing road congestion and rising gasoline prices.

Ethics

The Governor set out to reestablish ethical standards for state government, beginning with the State Ethics Commission itself. This body had proven itself unequal to the task of addressing the ethical lapses during the prior administration. The Commission failed to properly and impartially administer the code of ethics for state officials and lobbyists. It held meetings in secret which were required to be public and the board expended much energy in quarreling with its own staff. In its place a new ethics commission was established with different members and new powers to fairly determine whether a violation took place.

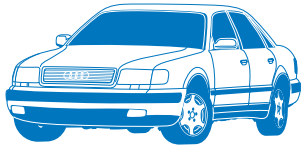
It is clear that there had been a pattern of corruption in improperly awarding state contracts. To reform this process the Governor proposed to create a new contract review board with power to establish uniform procurement standards, audit state contracting agencies and discipline them when they failed to comply. The legislature was on the verge of passing this legislation but at the last minute it pushed through an amendment which went too far in that it would have prohibited the state from entering into outside privatization contracts. This would have crippled the normal operation of many state departments and would, for example, disrupt care for abused children and the mentally ill and prevent state colleges from providing food service, all of which are today provided through contracts with private providers, both non-profit and for profit. Thus the Governor had no choice but to veto the bill. Hopefully it can be considered next session in more practical form.



Highway Safety

At long last the legislature acted on two common sense measures to improve highway safety. Bills banning the use of hand held cell phones while operating a motor vehicle have been floating around the capitol for years and at last such a ban was enacted. Certainly there are other potential distractions for drivers but the act of holding a cell phone to one’s ear poses a unique challenge to safe driving. I believe the bill passed this year in part because of the growing availability of hands free telephone devices, which are permitted under the new law.

A second measure prohibits 16 and 17 year olds from driving at night between the hours of midnight and 5:00 AM and also increases the required hours of behind-the-wheel instruction for new drivers from 8 hours to 20. It is an unhappy but unchallenged fact that automobile crashes are the leading cause of death for teenagers in the U.S. Thus these changes are not intended to punish teenage drivers but rather allow them to gain the additional experience and maturity needed before driving during late night hours.



Indian Casino

The federal Bureau of Indian Affairs is a broken agency, not capable of properly carrying out its function in weighing applications from groups seeking to be recognized as “indian tribes.” The purpose of these applications is of course not to celebrate indian history or culture but rather to seek great wealth by opening a casino on an “indian reservation.” However, the BIA’s recognition process has been overwhelmed by phalanxes of lawyers, influence peddlers and spin men engaged by the non-indian backers of the casino applicants.

Congress has long neglected the problem but this year Senator John McCain of Arizona, Chairman of the Senate Indian Affairs Committee, held hearings on the subject. Connecticut was represented by Governor Jodi Rell who expressed alarm that Connecticut already has the two largest casinos in North America at Foxwoods and Mohegan Sun yet two more tribes, the Schaghticoke and the Eastern Pequots, had been granted preliminary recognition by the BIA. She bolstered her case by pointing out that the BIA’s own internal documents showed that these two recognitions were both flawed and were based on inconsistent applications of so-called “flexible” rules, rules so flexible as to not be rules at all. The Governor did both the state and the nation a great favor by bluntly spotlighting a long neglected problem and it is my hope that this will lead to reform.

Meanwhile, and perhaps not coincidentally, immediately after the Governor testified the Appeals Bureau within the BIA overturned the preliminary decision to recognize these two tribes and sent the two matters back for further hearings.

Not Done

Among bills which were either rejected or vetoed were items which would have:

- Abolished the death penalty
- Legalized “medical” marijuana
- Significantly reduced the penalty for selling crack cocaine

